



**Lake Oswego Tigard Water Partnership  
Summary of Oversight Committee Meeting  
July 13, 2020**

**Present via WebEx:**

**City of Lake Oswego:**           **Oversight Committee:** Mayor Studebaker, Councilor Manz  
Staff: Kari Duncan, Erica Rooney, Susie Anderson

**City of Tigard:**               **Oversight Committee:** Councilor Goodhouse, Councilor Newton  
Staff: John Goodrich, Brian Rager

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1. CALL TO ORDER/ROLL CALL

**Chair Manz** called the meeting of the Lake Oswego Tigard Water Partnership Oversight Committee to order at 5:35 p.m. The video-conference meeting was held via WebEx.

2. APPROVAL OF MINUTES OF MEETING HELD JANUARY 13, 2020

**Mayor Studebaker** made a motion to approve the minutes of the January 13, 2020 meeting. **Councilor Newton** seconded the motion. The motion passed.

3. PUBLIC COMMENT

None.

4. OLD BUSINESS

4.1 Water Rights Extension Remand

**Mr. Goodrich** reported legal counsel received the reply brief from WaterWatch. The next step would be for the court to issue a Notice of Submission of Case to the Court which could take up to 11 months. He stated there would be 28 days to request oral argument then a date of oral argument would be set in the notice.

4.2 Operations Activities Report

**Ms. Duncan** reviewed the information contained in the report in the meeting packet. Of note, 699 work orders were completed in quarter 1 and 740 in quarter 2 of 2020. She reported some major electrical testing and repair occurred in March. Testing was conducted on the electrical switchgear at the Water Treatment Plant to make sure it was operating properly. When power was restored a surge arrester was damaged. During construction a ground connection was made incorrectly where the PGE meter box connects to the system. The problem had been corrected and parts were on order for the backup system to be repaired in September. **Mayor Studebaker** asked who would be financially responsible for the repair. **Ms. Duncan** replied PGE had covered one of the repairs but replacing the surge arrester would be the Cities' responsibility as there

wasn't clear blame to lay on any particular party. Total repairs would be in the \$50k range and would fit in the budget even though it was an unexpected expense.

**Ms. Duncan** referenced a picture of the plant's Maintenance Technician in the meeting packet welding a repair to a damaged polymer tank. She noted prior to adding a Maintenance Technician FTE there wouldn't have been staff with the skills or abilities to conduct the repair in house. Adding the position had saved a lot of time and costs instead of hiring outside contractors for these types of repairs.

**Ms. Duncan** stated water production was reduced in May and June of 2020 compared to the same time period in 2019 and 2018. She suggested the reduction could be the result of COVID-19 or higher than usual rainfall during that time or a combination of both. **Councilor Manz** asked if the decrease could be the result of less commercial water use due to COVID. **Councilor Goodhouse** asked if it were possible to compare residential and commercial use before and during COVID. **Ms. Duncan** said it was possible to gather data to conduct a comparison of residential vs. commercial billing/use.

**Ms. Duncan** addressed river conditions and the drought report. She noted statewide many areas were still considered dry. In our area, precipitation and snowpack were a little below normal but due to the rain in May and June it was much closer to average than it was previously. She reviewed the highlights from the Water Conditions Report in the meeting packet.

**Ms. Duncan** noted the water quality portion of the report had been omitted and reported that both cities typically receive more customer calls during the spring as the water warms up and extra main flushing is conducted. Complaints included taste and odor, and sediment. Lake Oswego received 3 or 4 calls over the past 3 to 4 months and Tigard had received 6 to 8 calls. **Councilor Goodhouse** suggested the numbers correlate with per capita. **Ms. Duncan** stated generally there were more calls from Tigard residents and that had been attributed to the water being new, transitioning from Portland water to Clackamas River water. **Mr. Goodrich** stated Tigard staff were working on issues of water age, water that travels farther and water at the end of a pipe, like in a cul-de-sac, can affect taste and odor. Flushing the line to move new water through generally alleviates the issue. He added staff was looking to develop a proactive flushing program instead of being reactive and anticipated that would reduce the number of calls regarding taste and odor.

## 5. NEW BUSINESS

### 5.1 Lake Oswego Tigard Partnership Operating Agreement Workshop Reschedule

**Ms. Duncan** reminded the group the April workshop had been cancelled due to COVID-19. In light of the uncertainty of when in person meetings might be able to resume, she asked the members of the committee what their preference for venue and timeline to reschedule the workshop would be. She noted a draft agenda and a document titled Discussion Points of Agreement were distributed in March for review before the April workshop. The Discussion Points of Agreement document was intended to be conversation starter in terms of how the agreement might look going forward. She requested input from committee members as to their thoughts on when and how to reschedule the workshop. **Councilor Goodhouse** stated he felt an in person meeting would facilitate better discussion. **Mayor Studebaker** suggested an in person meeting shouldn't be scheduled until September. **Councilor Newton** said she would prefer an in person meeting but noted Governor Brown had just reduced the number of people allowed in a gathering to 10. She suggested if the meeting was held remotely the discussion would focus on those few areas where Tigard would like to see adjustments and not review every topic in the current agreement. **Councilor Manz** voiced her support for a September or October meeting, in person if possible, but noted the need for flexibility due to the unknowns regarding COVID-19 in the months to come. **Ms. Duncan** stated she would update the timeline to include a

September workshop and asked the group if holding the workshop during the day was still their preference. Everyone favored a daytime meeting.

### 5.2 Lake Oswego Tigard Annual True-Up Report

**Ms. Duncan** reported the annual rate reconciliation had been conducted by FCS Group again for the fiscal year. She stated Lake Oswego's FY 20/21 operating and maintenance budget and FY 19 actual consumption for both entities was used to update the analysis. Based on the updated data, FCS determined Tigard's allocated share of FY 20/21 costs was \$1,859,254 which resulted in a monthly payment from Tigard of \$154,938. Lake Oswego adopted a bi-annual budget with an estimated payment from Tigard for FY 20/21 of \$1,735,000 or \$144,583 per month. The rate FCS arrived at was higher than the adopted budget but based on discussion between the two cities the amount in the adopted budget would be used for the upcoming fiscal year. The difference would be accounted for in the annual true-up analysis. **Mr. Goodrich** added that the previous year Tigard had received \$473k in true up costs because of a large overpayment. FCS and Lake Oswego were able to put together a cost structure to help offset the next true up which proved well since this year's true up amount was an overpayment by Tigard of just \$33,635 for which Lake Oswego recently reimbursed Tigard. This same analysis would be conducted again next spring. **Councilor Newton** asked if the true up was based on the difference between the projected budget and the actual budget. **Ms. Duncan** replied the recommendation of FCS was the monthly payment should be \$144k instead of the \$154k. They were concerned if Tigard were to pay the higher amount then the true up would be much higher than they would like.

### 5.3 Introduction to Bradley Corner Intertie

**Ms. Duncan** explained the Bradley Corner Intertie was located near Tigard and could potentially provide more resiliency and reliability as a potential back up source. Lake Oswego and Tigard were exploring potential backup sources with Tualatin Valley Water District (TVWD) and the City of Beaverton. **Mr. Goodrich** explained Tigard had a wholesale intertie connection to Portland dating back to the 1970s. The connection served Tigard as the primary water source up until June 2016 when Tigard switched over to the Lake Oswego Tigard joint water supply system. Since then the pipe sat without much purpose other than being an intertie connection for both TVWD and the City of Tigard. Both had a wholesale agreement with the City of Portland. TVWD continues to purchase water from Portland but they receive their water from the Washington County supply line which is a different pipeline that goes through Tigard. TVWD reached out to the City of Portland and are negotiating to repurpose the large 24" pipe that goes up past Garden Home area into the Burlingame area. Repurposing the pipe would help City of Portland eliminate a water quality issue at Garden Home and help TVWD address water quality issues that both result from lack of use of the water in the pipeline. If the pipe were repurposed, City of Tigard would no longer have an emergency supply connection to City of Portland water. Tigard approached TVWD to consider possible connections that would allow Tigard to receive emergency water from TVWD. TVWD plans to end cap the pipe at Garden Home to avoid receiving any of that water. Also, City of Beaverton plans to annex a large parcel from Portland for future development and are looking for supply connections. They will be constructing a large pipe along Hall Blvd with an intertie connection to Tigard for emergency water. He explained there were several entities involved and Tigard invited Lake Oswego to sit at the table because emergency intertie connections to Portland and TVWD are an important part of the Lake Oswego Master Plan for emergency water. He opined it was important for Beaverton and TVWD to acknowledge Lake Oswego and explore the possibility of moving water through Tigard to Lake Oswego. An Intergovernmental Agreement was being drafted by TVWD between City of Tigard, City of Lake Oswego, City of Beaverton, and TVWD to determine cost allocation, how to hire a consulting/engineering firm to investigate the hydraulics involved and how the connection could be repurposed and be able to meet the needs of the four entities. **Mr. Goodrich** continued TVWD was the managing authority for the effort because they were driving the need by repurposing the pipe. The draft IGA was expected soon. He noted part of the Regional Water Providers Consortium program is emergency management and having good interties

and understanding what they can and cannot deliver. **Ms. Rooney** voiced her support for the effort and said it was in Lake Oswego's interest to ensure Tigard has this intertie in the event that Lake Oswego would require emergency water. In the spirit of the Lake Oswego Tigard partnership it was right that Lake Oswego participate. **Councilor Manz** asked to be reminded where TVWD draws their water from. **Mr. Goodrich** replied that TVWD was a member of the Joint Water Commission which draws from Hagg Lake and Barney Reservoir and the Hillsboro Water Treatment Plant. They also have a wholesale contract with Portland Water Bureau. TVWD in partnership with Beaverton and Hillsboro created a commission to build a regional water supply system from the Willamette River in Wilsonville to Hillsboro to provide water for those three jurisdictions. **Mayor Studebaker** asked if elected officials would be attending the meetings or if it would be staff. **Ms. Rooney** replied currently meetings were at the staff level but results or next steps would be shared with Councils and the Oversight Committee.

#### 5.4 COVID-19 Operations and Impacts

**Ms. Duncan** shared the relatively minor changes to operations to address COVID-19. Because of the nature of their work, plant staff were already relatively isolated so early on measures were taken to isolate them even further from the public and each other. There was some limited remote work during April, May, and June. Staff reporting to the plant were provided work stations away from each other and instituted a shift schedule which split individuals in to three isolated groups, particularly protecting the operators. She reported it had worked well and operations continued without reduction in ability to do normal work and produce water. At the beginning of July operations moved to 24x7 so the small amount of remote work was eliminated and the only people currently working remotely were the Administrative Assistant and herself a couple days a week. She noted there had been reduced water demand but wasn't sure if that was due to COVID or mild weather in May and June but according to the Finance Director, overall the utility funds remained stable. **Mr. Goodrich** stated about 50% of Tigard Public Works staff were reporting to work and the rest were working remotely. Over the past month field staff had been conducting water main replacement in a couple of areas. The construction crews had been mindful of social distancing which was challenging on a construction project, and wearing masks when necessary. Office staff wear masks while indoors and may only remove them while at their workstation or while eating. **Councilor Newton** asked if there had been any public comments or concerns regarding the distribution of water being affected by COVID. **Mr. Goodrich** responded there hadn't been and noted after hours on-call responses had decreased as well as call outs to turn off water service for non-payment since the City was currently not doing that. **Ms. Rooney** stated Lake Oswego there hadn't seen an uptick in people not being able to pay their bills during the pandemic. She added there were grants and administrative programs in place to assist people if needed but there had been very little change in the overall income rate and response during COVID.

#### 6. FUTURE AGENDA ITEMS

##### 6.1 OVC Workshop - Operating Agreement Revision

**Ms. Duncan** confirmed what she heard from the group was they preferred an in person workshop with appropriate distancing on a Monday in September.

7. Adjourn

There being no further business **Chair Manz** adjourned the meeting at 6:42 pm.

Respectfully Submitted,

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Susie Anderson  
Administrative Assistant

Approved by the Oversight Committee:

October 12, 2020